

Department of Defense

Civilian Human Resources
Strategic Plan

Annex A



FY 2002 Annual Report

Office of the Under Secretary of Defense
(Personnel and Readiness)

FOREWARD

This report summarizes the Department's achievement in meeting DoD Civilian Human Resources Strategic Plan objectives for FY 2002. Progress is based on completion of specific performance measures that are aligned with seven strategic goals. DoD completed 26 of the 29 FY 2002 measures and reached its goal of ninety percent completion.

ACCOMPLISHMENTS

FY 2002 accomplishments are depicted as they correspond to each of the seven goals identified in the DoD Civilian Human Resources Strategic Plan:

GOAL 1: Promote focused, well-funded recruiting to hire the best talent available.

Included in this goal is the strategy to hire the best talent available by marketing the Department of Defense as a premier employer in the Federal government. One of the main objectives in this process is the development of a recruitment strategy designed to attract candidates at any level. Of the 20 performance indicators for this goal, 3 were targeted for completion in 2002.

1. Publish policy to cover Federal Wage System (FWS) employees.

On July 20, 2001, the Office of Personnel Management (OPM) issued final regulations to allow agencies to pay recruitment and relocation bonuses and retention allowances to wage grade employees. The Military Departments and Defense agencies now have the authority to use these incentives for wage grade employees, as published in the October 13, 2000 change 8 to Civilian Personnel Manual 575, Recruitment and Relocation Bonuses, Retention Allowances, and Supervisory Differentials. The Defense Civilian Personnel Data System (DCPDS) has been modified to process personnel actions authorizing these payments.

Recruitment and retention incentives must be calculated as a percentage of the employee's rate of basic pay, not to exceed 25 percent. For this purpose, "rate of basic pay" means the employee's rate of pay before deductions and exclusive of additional pay of any kind, such as night differential or environmental differential. The existing payment criteria, procedures, and documentation requirements, outlined in 5 CFR Part 575, Subparts A, B, and C, also apply to wage grade employees.

During FY 2002, the Civilian Personnel Management Service (CPMS) Pay Team presented 2-day seminars at locations throughout DoD to approximately 300 Personnel Specialists on the essentials of pay setting for General Schedule (GS) and FWS employees. The training objectives were for personnelists to apply a better understanding of basic Government-wide and DoD pay-setting policies and flexibilities; provide the ability to set pay for various types of personnel actions; and improve accuracy and consistency in pay-setting.

2. Issue recommendations of staffing efficiencies working group.

The outcome of this work group was included in an over-arching DoD Human Resources Best Practices Task Force that is explained in detail under Goal 2.

3. Review of the Priority Placement Program (PPP).

The DoD PPP Advisory Council met in October 2001 to review current and proposed PPP Operations Manual language along with the background and rationale for changes resulting in Component representatives voting on final policy changes. Five policy changes were submitted to the Deputy Under Secretary of Defense (Civilian Personnel Policy) (DUSD(CPP)) for final approval. All five of the following proposals were approved:

- a. Except the appointment of individuals with disabilities from the PPP in order to balance the mandate of EO 13163, "Increasing the Opportunity for Individuals with Disabilities to be Employed in the Federal Government," with the requirements of the DoD PPP. This exception will provide a mechanism to bring individuals with disabilities into the DoD workforce and help achieve the DoD goal of 32,000 appointments through FY 2005 by removing PPP consideration as an impediment.
- b. Revise PPP policy to except non-competitive temporary promotions for up to 120 days from the PPP rather than 90 days, as previously allowed. This proposal streamlines the PPP and aligns it with OPM policy.
- c. Streamline PPP procedures by closing the requisition when a candidate referral list is issued. This policy will allow the supervisor to complete an evaluation of external candidates and make a selection, as appropriate, without further PPP impact.
- d. Modify the current PPP policy that allows displaced registrants from Guam and Hawaii to register for activities in the Pacific Theater. These are the only non-foreign areas where employees have the option of registering for foreign countries. The proposed change will allow displaced registrants in Hawaii and Guam to register for foreign areas in the Pacific Theater, but when referred to foreign area activities, they would only receive priority placement consideration when the activities are recruiting from outside the country. This policy is consistent with Hawaii and Guam gaining

activity policy (i.e., when registrants are referred to Hawaii or Guam, they are not eligible for mandatory placement consideration unless the gaining activity is recruiting from outside the state or territory, or the registrant resides there or last resided there before going overseas). Implementation of this policy ensures consistent PPP consideration and placement throughout the Pacific Theater.

- e. Require non-displaced overseas employees without return rights to amend their registration after 90 days to include accepting a position one-grade interval below their current grade or be removed from PPP consideration. Under this policy change, employees recruited from the United States, who forfeited their return rights, would not be required to register below the grade from which originally recruited since this would arguably violate 10 USC, subchapter 1586. In exercising their return rights, employees will retain the seniority, competitive status and tenure they held before their overseas appointment. Mandatory registration at a lower grade or acceptance of an offer of a lower graded position will not constitute an adverse action. Implementation of this policy strengthens the Secretary of Defense established program of overseas rotation for civilian employees (5-year overseas limitation policy), with minimal impact to the losing overseas and gaining stateside activities. More importantly, this policy maintains and protects the employee's pay and benefits.

These changes were submitted to the national unions for consultation. After receipt and coordination of any comments, a Change notice to the PPP Operations Manual will be published.

GOAL 2: Provide a Human Resources System that ensures the readiness of tomorrow's integrated force structure.

Included in this goal is the strategy to develop a responsible and flexible personnel system that permits management to maintain a mission-ready workforce. One of the main objectives in this process is the benchmarking of Human Resources (HR) processes and practices against industry best practices. Of the 17 performance indicators for this goal, 5 were targeted for completion in 2002.

1. Analyze current DoD practices and processes to identify best practices.

A review was conducted covering existing federal literature, current articles and publications, as well as historical best practices initiated by Components during the regionalization process. The material was grouped

under the HR functional areas of Benefits and Entitlements; Performance Management; Classification and Compensation; Recruitment and Retention; Training; and HR Information Management. One study by OPM, “HRM Policies and Practices in Title 5-Exempt Organizations” [ME 9804, dated August 1998], provided an overview of the “constraints and inflexibilities (perceived and actual) of the merit processes embedded in the current Title 5 system that have served as a rallying cry for what is wrong with government. One of the most complex issues for Federal HR today is how to create policies and practices that are at once responsive and efficient, and based on merit.”

A review of current legislation provided insight on proposed initiatives to include:

- H.R. 4580 - Good People, Good Government
- H.R. 2559 - Federal Long Term Care Amendments Act
- S. 1612 - Managerial Flexibility Act
- S. 1639 - Federal Employee Management Act of 2001
- S. 1913 - Exchange Program for Federal Technology Managers

The Best Practices Task Force, consisting of members from the Military Departments, Washington Headquarters Services (representing the Fourth Estate), Defense Logistics Agency, and the Acquisition and Laboratory Communities, reviewed available literature and evaluated existing Federal-wide demonstration projects and Alternative Personnel Systems. This resulted in a consensus on practices that should be adopted for a single DoD HR system. Deliberations were continuing on the implementation of Best Practices at the end of the fiscal year.

2. Analyze best practices of continually successful businesses in the private sector.

All the literature review information noted in the previous paragraph, current DoD best practices, current legislation and proposed legislation for the FY04 were provided to the Corporate Leadership Council (CLC) to include with their review of current best practices in private industry. CLC provided a report on HR Leading-Edge Practices (August 2002) that features specific private industry practices in nine functional areas:

- Recruiting and retention
- Position classification
- Compensation

- Benefits and entitlements
- Employee communication
- Performance management
- Training and development
- Succession planning
- HR information technology

The CLC report reinforces the concept that HR must realign itself to reflect and support overall organization strategy instead of existing only to facilitate the transactional or operational needs of employees. CLC pointed out that “leaders must grasp the idea that people are the critical and ultimate source of competitive advantage.” CLC concluded that, “Best practice HR departments are ones that focus on employees as human capital and seek to align that capital with organizational strategy. HR practices that support this goal may require either changing traditional practices such that they foster cost and time savings or making substantial investments in new systems or resources. Ultimately, organizations should look to ensure that they are getting an appropriate return on these investments to achieve best practices status.” The report on HR Leading-Edge Practices from CLC was provided to the Best Practices Task Force to identify suitable best practices for use in DoD.

3. Identify which best practices, public and private sector, are suitable for use in DoD.

The CLC report and associated DoD literature review were assessed in conjunction with a corollary strategic plan initiative for the DoD HR Best Practices Task Force that includes initiatives in Demonstration Projects (demos), Alternative Personnel Systems (APS), and the 1997 DoD Personnel System Initiative (PSI) effort. Results of this review will be used to propose legislative language through FY 2008 in support of this strategic objective.

4. Identify components of personnel policy and processes that are desired in DoD specific civilian personnel system.

The Under Secretary of Defense for Personnel and Readiness (USD(P&R)) established the Department of Defense Human Resources Best Practices Task Force. The Task Force, consisting of representatives from the HR and functional communities, reviewed demonstration projects and APS throughout the Federal Government, as well as DoD’s 1997 PSI effort, to compile proven best practices that show promise in terms of DoD’s civilian

HR strategy. Excluded from the scope of inquiry were the Senior Executive Service and the Federal Wage System.

The Task Force, consisting of four Work Groups (Classification and Pay, Staffing, Benefits and Entitlements, and Performance Management) adopted four criteria by which to assess each initiative:

- a. Is this initiative in accordance with merit system principles and does it avoid prohibited personnel practices?
- b. Is it workable? (Does it improve HR management practices? Is it easy to administer and implement? Is it feasible for use across DoD Components?)
- c. Is it acceptable? (Is it consistent with DoD's business strategy? Does it promote accomplishment of strategic HR goals?)
- d. Is it affordable? (Does it foster cost discipline?)

The Task Force concluded its original charter in FY02 and presented a set of proposals to the USD(P&R) and USD(AT&L). In turn, the USD(P&R) and USD(AT&L) tasked the DUSD(CPP) to review the proposals with senior executives from the Components as well as Acquisition and Laboratory communities. The group used an automated collaborative technical tool to establish overall concepts on how best practices would work in the Department. Initiatives include:

- a. Employee Notification and Collective Bargaining Agreements
- b. Mass Conversion to Demo Project Best Practices
- c. Pay Banding
- d. Classification System
- e. Hiring & Appointing Authority (includes competitive job change definitions)
- f. Pay Administration
- g. Pay for Performance Evaluation Systems /Performance-Based Actions
- h. Expanded Sabbatical Authority

- i. Volunteer Emeritus Program
- j. Revised Reduction In Force (RIF)
- k. Demonstration Project Evaluation

5. Draft legislative proposals for the FY03 Unified Legislative Budget (ULB).

For the FY 2003 ULB process, CPP/CPMS submitted nineteen proposals and the Components submitted fifteen. After the ULB vetting process, twenty-one civilian HR related ULB proposals were forwarded to Congress as part of the Department's Omnibus legislation.

CPP/CPMS proposals submitted in the Omnibus package included extending separatee eligibility to elect Federal Employees' Health Benefit coverage to FY06, extending the provision for lump sum severance pay, allowing nonappropriated (NAF) employees to purchase OPM's long-term care coverage, standardizing the definition for asbestos hazards, exempting NAF personnel from certain IRS pension rules, repealing the Monroney provision, eliminating the 120-day limit on details, and changing the cycle of full-scale wage surveys.

On December 2, 2002, the President signed the National Defense Authorization Act for FY03 (Public Law 107-314). The DoD proposals to permit NAF employees to participate in the Federal long-term care insurance program, to extend authority to provide lump sum severance payments, to continue health benefits eligibility for separated employees, and develop a certification process for DoD professional Accounting positions were enacted in this law.

GOAL 3: Promote and sustain civilian workforce that is as richly diverse as America itself.

The Department is committed to meeting the President's challenge of creating a Government that reflects the rich diversity of the American people. Equal opportunity in employment for all people, regardless of race, color, sex, age, religion, national origin, sexual preference or disability is a fundamental goal. Workforce diversity has evolved from sound public policy to a strategic business imperative. The Department supported its goal in FY 2002 by accomplishing two strategic objectives that foster and promote an environment attractive to individuals from all segments of our society:

- 1. Promote initiatives that result in a diverse and representative workforce; and

2. Promote diversity in providing developmental opportunities to employees.

OPM has called for the removal of employment barriers that persons with disabilities encounter when seeking employment. A target of 100,000 new employees with disabilities was established for all Federal agencies, with the Department of Defense goal set at 32,000 of those new hires.

As the Department has downsized and restructured, managers have continued to select employees with disabilities at the average rate of five percent of all new hires. Consolidations taking place within the Military Departments and Defense agencies call for expanded outreach efforts and appropriate accommodations to reach the goal of 32,000 new hires from FY 2002 to 2005. As DoD strives to increase its hiring of new employees with disabilities, managers and supervisors are asked to increase their focus on training, mentoring, and career development of persons with disabilities throughout the total workforce. The Department divided the five-year goal of hiring 32,000 new hires into 4 subsequent goals. The FY 2001 goal was 4,763 and the FY 2002 goal was 5,801, for a grand total of 10,564. Actual hiring during this two-year period resulted in 11,963 new employees with qualified disabilities, almost 1,400 additional employees above the target. We fully expect the same success rate for the following fiscal years.

In a policy memorandum drafted in September 2002, USD(P&R) directs senior management to link diversity in the workplace to organizational mission, goals and objectives as measured by their outreach and recruitment strategies, developmental policies and their commitment to achieving a workforce that is representative of our country.

GOAL 4: Invest in human capital to improve effectiveness of the workforce.

To support this goal the Department undertook completing six strategic indicators during FY 2002. One indicator to develop performance metrics was not completed. The completed strategies focus on having programs and procedures in place to support the evaluation of HR programs and systems and sufficiently fund HR initiatives. The following is a summary of accomplishments in support of this goal.

1. Develop HRM Accountability System within OPM framework.

To support the President's Management Agenda of ensuring a citizen-centered, results oriented, and market-based government, the Department developed a Civilian Human Resources Strategic Plan. The plan takes into

consideration all that the Department has faced in the past few years and what lies ahead. Built from the Quadrennial Defense Review and direction provided by the USD(P&R), the Strategic Plan represents the Department's HR roadmap. In developing the roadmap, the strategic plans for the Army, Navy, Air Force, Defense Logistics Agency, Washington Headquarters Services, and OPM were reviewed. To ensure that the President's human capital initiative is fully addressed in the Department's Civilian Human Resources Strategic Plan, a matrix tracing OMB and OPM Scorecards to the goals and objectives of the civilian plan is an addendum to the plan. That cascaded plan of goals and objectives will be monitored to document results achieved. It will also be reviewed and modified whenever the HR community is presented with new challenges to support the Department's missions.

The Department of Defense's HR vision is to design, develop, and implement HR policies, strategies, systems and tools to ensure a mission-ready civilian workforce that is motivated to excel. To achieve this vision, the Department has developed a Strategic Plan that outlines seven specific goals each with multiple objectives. Lastly, a consortium of DoD HR directors participated in its final development. Each goal and objective identified in the plan was chosen to exemplify the Department's values and principles for maintaining its leadership role in managing Federal human resources.

To measure and monitor progress made against the plan, a draft HRM Accountability System was developed. The system includes a number of performance indicators that when successfully accomplished will support the achievement of the Department's HR goals. The HR plan is also linked to the SECDEF's dashboard metrics that identifies key measures of risk and accomplishment across the Department. The Under Secretary of Defense for Personnel and Readiness also receives a quarterly Status of Force briefing, which provides detailed statistical information on many Human Resources issues such as Civilian HR Strategic Plan performance measures, workforce shaping, demographic trends, hiring of persons with disabilities, and quality of life issues. These links provide added emphasis to accomplishing the Department's goals by integrating the civilian human resources goals and objectives with shaping the force for the future.

2. Identify critical indicators of human resources success.

Components were asked to submit their current performance metrics. A working group was established with representatives from each of the Components, who have Regional Service Centers. The working group met on August 20, 2002, and agreed that the critical indicators are timeliness, quality, and cost. Identifying the indicators completes the first step of the goal of establishing Department-wide standards for success.

3. Develop human resource standard measures.

A working group convened and drafted measures to be used in assessing the overall effectiveness of personnel services delivery within DoD. The draft measures were submitted to the Department's HR leadership for consideration. During this same period of time, the Corporate Leadership Council was asked to provide input to the Department on which metrics Fortune 500 organizations use to assess their human resources functions. Using a 2001 survey, the CLC provided five metrics for each functional area of human resources most frequently utilized by the companies to evaluate HR effectiveness. Both sets of draft metrics are currently being reviewed. It is anticipated that Department-wide metrics will be established during FY 2003.

4. Implement student loan repayment program.

The Federal student loan repayment program permits agencies to repay Federally insured student loans as a recruitment or retention incentive for candidates or current employees of the agency. In a memorandum dated October 17, 2001, the Acting Deputy Assistant Secretary of Defense (Civilian Personnel Policy) (DASD(CPP)) delegated authority and issued guidance to agencies on the student loan repayment program. The guidance delegates the establishment of loan criteria to the Components. The Department's plan allows Components to offer student loan repayment to recruit or retain highly qualified employees.

As a continuing show of support for the student loan program, the Department has also proposed legislation to increase the loan repayment amount. The current repayment amount is limited to \$6,000 per year for an employee, not to exceed \$40,000. Intended to offset higher starting salaries in private industry, this proposal will increase the calendar year amount from \$6,000 to \$10,000, reflecting increases in annual college tuition costs. The FY 2004 ULB submission proposes to increase, from \$40,000 to \$80,000, the total amount that may be paid to any individual."

5. Develop legislative proposals for compensation system changes.

An Omnibus FY03 legislative proposal for the FY03 National Defense Authorization Act was cleared through the Office of Management and Budget and sent to Congress by OSD/GC, Legislative Referral Service (LRS), in April 2002. Proposals included:

- SES Pay Compression Relief
- Pay for Performance
- Lifting of the Minimum Overtime Cap
- PCS Reimbursement for New Hires
- Pay Banding

GOAL 5: Provide management systems and tools that support total force planning and informed decision-making.

The Department has accomplished two initiatives in 2002 that support meeting Strategic Goal 5.

1. Purchase equipment and analytical software to support workforce planning.

The Department justified funding and purchased equipment and software to support workforce planning, analysis and forecasting. The acquisition of the equipment will help the human resources staffs support the Department's leadership in determining future workforce needs. It will also supply the data necessary to build a firm business case for recruitment, compensation and training of employees.

The equipment and software purchase was completed and the Department began using the Civilian Forecasting System (CIVFORS) and the Workforce Analysis Support System (WASS) to enhance its ability to analyze, model and forecast the workforce.

CIVFORS is a policy-modeling, strength management system that produces forecasts of civilian requirements and strength to meet personnel management data forecasting requirements and helps users to project strength, accessions, losses, and losses by type (e.g., retirements). The major objective of CIVFORS is to provide information for civilian personnel management on future strength and job skill requirements. The modeling capability will project civilian end strengths and personnel transactions. Projections can be generated with and without targets (i.e., strength goals). Targets used for projections can be defined in a number of

different ways. They can be based on budgetary constraints or other constraints based on future state information. Users can generate projections to determine if they are going to meet targets under various "what if" scenarios.

WASS enables users to analyze data on civilians from fiscal year 1997 to the present. It contains over 16.1 million strength records and 27.4 million transaction records. It has analysis capabilities that range from counts and averages, to analysis of trends and regression. Users can also conduct analysis of other databases (e.g., survey data) using the resident analytic capabilities. WASS is a particularly useful tool for conducting in-depth evaluations of workforce behaviors over long periods to see how they vary by time periods and/or other dimensions (e.g., retirement age and years of service, and actual number of retirements from varying population densities of retirement eligibility).

2. Implement expanded authority for VSIP buyouts for workforce shaping.

The National Defense Authorization Act for FY 2002 allowed the Department to continue offering special workforce restructuring buyouts during FY 2002. In general, this special buyout may be used to reshape positions vacated as a result of the buyout to: meet mission needs; achieve one or more reductions in strength; correct skills imbalances; or reduce the number of high-grade, managerial, or supervisory positions. The law limited their use however, to no more than 2,000 employees. Immediately following enactment of the law, implementation guidance and delegated authority was disseminated to the Military Departments and the Director, Washington Headquarters Services (acting on behalf of the Defense agencies). As a result, the Department used 1,988 (99.4 percent) of the 2,000 allocations by the end of FY2002.

DoD Components may use the special workforce restructuring authorities as well as the traditional downsizing authorities, to achieve reshaping and downsizing goals. Components collect and report information to the Department on the use of special buyout authorities. To further expand flexibilities for civilian force reshaping, the Department has also proposed to extend the authority for lump-sum buyout payments for separation actions occurring between October 1, 2003 and October 1, 2006. The intent of this lump-sum payment tool was to provide an added method of minimizing the financial affect on covered employees. We intend to gather data from the Civilian Personnel and Payroll systems to determine program use and results.

GOAL 6: Focus the Human Resources Community on the needs of its customers.

The DoD HR Strategic Plan describes four performance indicators that consider customer feedback in developing HR policies and procedures and ensuring high level strategic alliances are kept with other public and private organizations, groups, and senior officials who influence human resources issues and directions. All four performance indicators were met.

1. Participate in OPM Workforce Survey.

All Federal agencies are accountable for effectively carrying out the President's Management Agenda, which includes the strategic management of human capital. The way the Department manages its workforce is a critical element of our overall effectiveness in carrying out this Agenda. There are various ways the Department could assess this, but the most effective is to get feedback directly from managers and employees. With this in mind, over 80,000 Department employees were randomly selected to participate in a Government-wide Survey on Human Capital. OPM developed the survey to help measure how Federal agencies are managing their employees in carrying out agency missions. The Department mailed initial and follow-up survey notification letters to over 80,000 of its employees and provided assistance to OPM throughout the survey.

The Department has a pending request with OPM to obtain the raw survey data for DoD employees. Upon receipt of the data from OPM, the Rand Corporation will conduct analysis of the DoD employees' responses. These data will be mined to determine specific areas of interest to Department and Component policy officials. Comparative analyses of responses among Services and Components may indicate the effects of differing human resources management policies and processes. Cross-component similarities may allow identification of issues best addressed on a Departmental level. Identification of respondents could provide information for future longitudinal studies not anticipated by OPM or areas to be addressed in DoD civilian workforce surveys. An analysis of the report with findings and recommendations is pending release of the survey data by OPM.

2. Verify contacts with existing institutions, and identify and establish new institutions to contact.

The Department has taken positive action to increase and nurture contacts with new, evolving and established institutions for mutual exposure to the

development of human resources strategies, plans and programs. During this fiscal year, we reaffirmed or established relationships with the following institutions and organizations:

- a. National Academy of Public Administration (NAPA). This affiliation allows us the opportunity to pool our resources in partnership with sixty-eight Federal and State member organizations to address the pressing issues of modern human resources management.
- b. Oracle Applications Users' Group (OAUG). The OAUG serves as the voice of users of Oracle applications. The OAUG provides the mechanism for establishing and communicating priorities for future development, directions, and enhancement of applications used on the Department's automated HR support system.
- c. Global HRIS Special Interest Group (SIG). The SIG is a subgroup under the Oracle Applications User Group. The SIG is focused on the Oracle HR application suite, which is the backbone transaction software of DCPDS. We are currently forming the Federal SIG with other Federal Oracle HR customers, in cooperation with the Oracle Corporation.
- d. International Personnel Management Association (IPMA). This affiliation provides a clearinghouse for information and education relating to a wide variety of topics and issues associated with HR management including professional development; benchmarking and best practices; product assessments; and governmental affairs.
- e. Corporate Leadership Council (CLC). Our membership benefits associated with the CLC include detailed research access, research briefs, on-site presentations and discussions, member symposiums, and on-line information services. CLC is currently attracting greater numbers of Federal members to compliment its large number of private sector affiliations.
- f. Partnerships for Public Service (PPS). We joined together with a vast array of colleges and universities, Federal agencies, and other public service organizations to vitalize the Federal workforce. Using PPS as a tool, in conjunction with our integrated approach to recruiting and hiring, we will improve the hiring processes, and attract, educate and assist prospective job candidates seeking employment in DoD and those interested in Federal service careers.

- g. Federal Innovator's Working Group. This body serves as a forum for leaders in government to study emerging HR initiatives and collaborate on new policy proposals and improvements to current practices.
- h. International Telework Association and Council (ITAC). ITAC is an association of government agencies (Federal, state and local) and Fortune 500 businesses that promotes telework, provides access to reports, and sponsors conferences and roundtables regarding telework.

GOAL 7: Promote Quality of Work Life as an integral part of daily operations.

The DoD HR Strategic Plan describes seven performance indicators that promote maximum use of policy and programs that improve the working environment (e.g., flexible work schedules, teleworking, job sharing, child care and elder care), and participate in efforts to facilitate a quality work environment (e.g., safety, health, and facilities). All seven performance indicators were met.

1. Identify Work Life flexibilities that advance DoD's ability to meet its mission.

A comprehensive package of flexibilities was compiled and evaluated. The document was presented at the Agency Work Life Coordinators meeting conducted by OPM on March 1, 2002. This document provides information to Work Life Coordinators as a guide for consulting management on program features and flexibilities.

2. Compare flexibilities to OPM initiatives and programs.

A comparison of OPM work life initiatives and programs was completed in July 2002, with a finding that most programs are either being utilized by the Department or policy development is in progress. Due to the interest in the application of work life programs throughout the Federal government, the Department has appointed a Work Life Coordinator to facilitate issues within DoD.

3. Develop policy to institutionalize the most advantageous programs.

Based on findings from evaluation of available workforce flexibilities, most work life flexibilities supported by OPM are being utilized by the Department. The "Manager's Guide to Child Care for DoD Personnel" (see paragraph 5 below) is in the coordination process within the Department. Additionally, the DoD Policy on Telework (issued in October 2001 and

discussed below) and Civilian Personnel Manual, Subchapter 610, “Hours of Work” (issued in December 1996) cover flexible work schedules.

4. Express OSD support for flexible work arrangements.

The DoD Telework Policy and Guide is designed to actively promote telework as a legitimate flexibility for managers and their employees throughout DoD and to promote DoD as an employer of choice; improve the recruitment and retention of high-quality employees; enhance the Department’s effort to employ and accommodate people with disabilities; reduce traffic congestion and decrease energy consumption and pollution emissions; reduce office space, parking facilities, and transportation costs; and complement Continuity of Operations Program plans. The Guide was designed to provide guidance to Components in implementing the DoD Telework Program and provides advice to managers and employees on the Telework Program. DoD offers two types of telework arrangements, “regular and recurring” and “ad hoc,” based on the recognition that organizational and employee needs may vary considerably, and should be considered on a case-by-case basis. Some situations require occasional or infrequent arrangements while others are more conducive to longer periods or regularly scheduled arrangements. The intent in offering two types of telework is to provide supervisors, managers, and employees with maximum flexibility to establish an arrangement that is responsive to their particular situation.

5. Identify needs and alternatives to expand access to child care.

On September 12, 2002, DoD issued a draft Manager’s Guide to Child Care for DoD Personnel. The Guide is designed to provide information, advice and guidance to DoD managers in developing and implementing child development programs (CDPs) for military personnel and civilian employees, consistent with legislative requirements and Departmental policy. The Guide provides the following information:

- a. DoD CDP policies,
- b. Relevant legislation,
- c. Approaches to establishing a CDP for personnel and,
- d. Management’s labor relations obligations with respect to child care.

6. Identify options for elder care.

A comprehensive review of OPM supported Elder Care programs and the associated handbook determined that a Department specific guide would be redundant. To alert the DoD HR community to take full advantage of currently published guidance and resources on Elder Care, the Department released a news article in the September 13, 2002 edition of its *FASTRACK* newsletter. *FASTRACK* is electronically transmitted to over 1,500 HR specialists and managers at all echelons throughout the Department.

DoD, in partnership with OPM's Office of Merit Systems Oversight and Effectiveness (OMSOE), developed an elder care survey to evaluate the demographics of the present workforce, assess the potential for present and future involvement in care giving situations, and identify the need for any other support, Federal, state or private. OMSOE's Elder Care Study Plan also includes surveying agency Work Life Coordinators on elder care programs currently available. Focus groups, consisting of representatives from various agencies, will be formed by OMSOE to meet with managers and supervisors in order to acquaint them with the concept of and the need for an Elder Care program. OMSOE intends to publish the report from this effort in January 2003.

Due to interest in the application of elder care programs throughout the Federal Government, the Department has appointed a Work Life Coordinator to facilitate Elder Care issues within DoD.

7. Participate in efforts to facilitate a quality work environment (e.g., safety, health, and facilities).

The Department formed a Quality Occupational Environment Working Group on August 22, 2002. Participation in the working group represents three primary disciplines: Human Resources for benefits guidance and counseling; Health Affairs for preventive medicine and medical intervention; and Environmental Safety for risk management and loss prevention. The Quality Occupational Environment Working Group meets on a quarterly basis. This cooperative effort is a first for DoD at the corporate level among the represented communities.

The mission of the working group is to assess partnership opportunities for joint assistance in facilitating a quality work environment. The working group will, as part of their assessment, identify and resolve issues that could materially affect the establishment and maintenance of a quality work

environment and recommend and develop action plans to improve the overall quality of the work environment.

CONCLUSION

The Department's first year of executing a strategic plan under the President's Management Agenda and in alignment with OMB and OPM goals, set the stage for significant action to improve Human Resources management and administration. The initial stages of results-oriented programs were planted. Sweeping legislative proposals were developed and submitted. New ways of doing business were explored. Better ways of doing business were launched.

In the short term, we are executing FY03 initiatives identified in the initial planning effort, redirecting certain out-year projects into FY03 and adding new projects. Our FY03 Year of Execution Plan will be incorporated as an annex to the DoD HR Strategic Plan. Over the next five years, the Department will continue to refine its HR strategic planning and fundamental HR decisions based on world events, technology, public-private partnerships, and on the definition and composition of the government workforce.